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COMMITTEE FOR PROGRAMME AND COORDINATION
Resumed thirty-seventh session
13-15 October 1997
Agenda item 3

DRAFT REPORT

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Addendum

PROGRAMME QUESTIONS:

UNITED NATIONS REFORM: MEASURES AND PROPOSALS (item 2 (b))

PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1998-1999 (item 2 (a))

Section 34. Development account

1. At its 35th meeting, on 17 October 1997, the Committee considered section 34, Development account.

Discussion

2. Many delegations indicated that they had no objection in principle to the establishment of a development account but stressed, at the same time, that savings from reduced non-programme costs and other management efficiencies must not be achieved at the expense of full implementation of mandated activities. In this connection, a number of delegations recalled the report of the Secretary-General on the impact of approved savings on the implementation of mandated programmes and activities (A/C.5/51/53).

3. Several delegations expressed the view that the concept of a development account should be clarified and that there should be full compliance with the Financial Regulations and Rules of the United Nations. Other delegations asked

for further clarification on the mechanism for the establishment of the development account. Several delegations expressed the view that clarification should be given on the use of unspent balances proposed to be retained at the end of the fiscal year in connection with the development account.

Conclusion

4. The Committee noted the proposal to establish a development account. It also noted that it was not an area within the scope of the medium-term plan but that the modalities for its operation, as well as the role of the General Assembly in the utilization of the account, would need to be provided by the Secretariat to the General Assembly at a later date.